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RANDALL B. LOWE

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202-861-6477

June 16, 1994

HAND DELIVER

Mr. William F. Caton Acting Secretary Federal Communications Commission 1919 M Street, N.W. Room # 222 Washington, D.C. 20554

Re: Ex Parte Presentation (CC Docket No. 93-22)

Dear Mr. Caton:

The enclosed documents were inadvertendly omitted from my letter dated June 15, 1994 in the above-referenced matter. I apologize for any inconvenience this may have caused.

In accordance with the Commission's Rules, I hereby submit one original and one copy of this letter and the enclosures.

Randall B. Lowe

Enclosures

cc:

Mr. Byron Marchant

Ms. Ruth Milkman

Ms. Lauren Belvin

Mr. Richard Welch

Mr. Greg Vogt

No. of Copies rec'd______

EXECUTIVE SUMMARY OF ISA POLICY STATEMENT & INDUSTRY STANDARDS GOVERNING 800 PRESUBSCRIPTION

The Interactive Services Association ("ISA") represents business and public policy interests of the pay-per-call industry. The ISA is concerned with the growing problem of unauthorized access to certain 800 presubcribed services and has developed the following industry-wide standards governing the use of those services:

To <u>establish</u> a valid presubscription agreement during a customer's initial telephone call to an 800 presubscribed service, the information provider ("Provider") shall:

- (1) clearly and conspicuously disclose to its customer all material terms and conditions associated with the use of the Provider's service, including the Provider's name and address, a business telephone number which the customer may use to obtain additional information or to register a complaint, and rates for the service;
- (2) agree to notify the customer of any future rate changes;
- (3) obtain the agreement of the customer to utilize the service on the terms and conditions disclosed by the Provider; and
- (4) require the use of a personal identification number ("PIN") or other means to prevent unauthorized access of the services.

To <u>confirm</u> the establishment of a presubscription agreement with the customer, the Provider shall use one of the following four methods:

- (1) obtain a written authorization from the customer acknowledging the customer's understanding of the presubscription agreement with the Provider;
- (2) mail to the customer written confirmation of the presubscription agreement that requires the customer to make an activation call with his PIN to the Provider from the customer's home telephone which will be checked against the Line Information Data Base to determine whether or not the telephone call is originating from an unauthorized location (<u>i.e.</u>, a public coin telephone, a telephone from a hotel room, etc.);
- (3) mail promotional information containing a PIN to potential customers, however, the customer must make an initial call to the Provider to establish a presubscription agreement which then must be confirmed in writing by the Provider to the customer and requires the customer to make an additional activation call using the assigned PIN to access the Provider's service; and
- (4) use an electronic or live operator to confirm the establishment of a presubscription agreement by the use of toll-free 900 telephone numbers that require customers to input their presubscription agreement information which will be confirmed in writing mailed to the customer and will be checked against the Line Information Data Base to determine whether or not the telephone call is originating from an unauthorized location.

Furthermore, a nationwide 800 presubscription blocking database has been established such that customers will be able to use an 800 number to block or unblock access to Providers' services from their telephones.

INTERACTIVE SERVICES ASSOCIATION 8403 Calesville Road Suite 845 Silver Spring Maryland 20914

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387.495.4955 Facelation 301.495.4959

ISA FAX MEMORANDUM

TO:

800 PRESUB WORKING GROUP

FROM:

Bill Burrington

ISA Public Policy Counsel

DATE:

June 6, 1994

RE:

ATTACHED FINAL STANDARDS DOCUMENT

AND FAX BACK RESPONSE FORM

First, on behalf of the Interactive Services Association (ISA) and Attorney Ed Lavergne at Ginsburg, Feldman and Brees, thank you for your patient and valuable partialpation in the 800 Presubscription Working Group to date. We are pleased to attach the final version of the ISA Policy Statement & Industry Standards Governing 800 Presubscription. As agreed during our full Working Group TeleMeeting on June 3, please do the following:

(1) review carefully the attached final standards document;

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- (2) indicate on the attached ISA 806 Presubscription Standards Adeption Agreement your company's agreement to adopt voluntarily and comply fully with the terms and conditions of the 800 presubscription standards and the specific option(s) your company will adopt to confirm the existence of a presubscription agreement;
- (3) complete the company information section, sign and date the agreement; and
- (4) fax your completed agreement to Bill Burrington at 202/833-1234 on or before 3:00 p.m. (EST) on Tuesday, June 7, 1994. You do not need a fax cover page.

We will broadcast to you a list of all participating companies that have agreed to voluntarily adopt the standards by the close of business on Tuesday, June 7.

We will convene a special full working group telemesting in the near future to discuss and resolve the issues surrounding Option III.E -- Third Party Verification. Please note that the effective date of the 800 presubscription standards is Monday, June 20, 1994.

Under separate cover, you will be broadcast background information and a pledge form for your company to contribute to the ISA Advocacy Fund to ensure continued representation on this important issue. As always, please call me with your questions and concerns at 202/833-2333. Once again, thank you for your time and willingness to work together on this important industry effort.

ISA POLICY STATEMENT & INDUSTRY STANDARDS GOVERNING 800 PRESUBSCRIPTION June 6, 1994

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I. STATEMENT OF PURPOSE.

The Interactive Services Association ("ISA"), representing the business and public policy interests of the pay-per-call industry, believes strongly in the importance and long-term viability of the 800 presubscription billing option.

The industry is very concerned with the growing problem of unsuthorized access to certain 800 presubscribed services. For this reason, the ISA convened the 800 Presubscription Working Group on March 1, 1994 to review the problems associated with 800 presubscription and to develop industry-wide standards governing the current and future use of 800 presubscribed services. The ISA Working Group consists of representatives from the interexchange and local exchange carriers, third party billing entities, service bureaus and information providers.

II. THE PRESUBSCREPTION EVENT SHALL CONSIST OF THE FOLLOWING REQUIREMENTS:

- A. The Initial Contemer Call. Except as provided in sections III.A and C below, a provider of presubscribed 860 services ("Provider") shall, at the time of the oustomer's initial call ("Initial Call") to the service, obtain the customer's name, home address, home selephone number and date of birth. In addition, each Initial Call shall be bounced against Line Information Data Bases ("LIDB") pursuant to the LIDB requirements set forth in section V below.
- B. Compliance with the Current PCC/FTC Bendetlant Governing 200

 Procules that forwises. In order to establish a valid procubescription agreement or comparable arrangement with the customer, the Provider shall:
 - 1. Clearly and conspicuously disclose to its customer all material terms and conditions associated with the use of the Provider's service, including the Provider's name and address, a business telephone number which the customer may use to obtain additional information or to register a complaint, and the rates for the service:
 - 2. Agree to notify the customer of any future rate changes;

- 3. Obtain the agreement of the customer to utilize the service on the terms and conditions disclosed by the Provider; and
- 4. Require the use of a personal identification number ("PIN") or other means to prevent unauthorized access of the service.

III. CONFIRMING THE EXISTENCE OF A PRESUBSCRIPTION AGREEMENT.

In addition to complying with the requirements in section II above the Provider shall confirm the existence of a valid presubscription agreement or comparable arrangement through the use of one of the following methods:

A. Written authorization, in which the Provider shall obtain:

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- 1. the customer's name, home address, home telephone number and date of birth:
- 2. a statement that the customer has decided to use the Provider's service:
- 3. a statement acknowledging the customer's understanding of and agreement with the Provider's terms and conditions of service; and
- 4. the customer's signature.

Note: This method shall not be subject to the Initial Call requirements set forth in section II.A. A PIN shall not be issued to the caller until written authorization has been received by the Provider from the customer.

- B. Written Notice Midlad/Customer Call Back, in which the Provider shall:
 - 1. comply with the Initial Call requirements set forth in section II.A;
 - 2. mail a written notice to the customer's home address which confirms the customer's desire to establish a presubscription agreement and provides the customer with a PIN; and
 - 3. require the customer to call back to a 900 number to activate the PIN and to commence billing for the presubscribed service. Providers shall establish one or more 900 numbers for which there shall be no charge to the customer for such confirmation. During the activation call, which must be made from the customer's home telephone, the customer shall be required to enter the billing telephone number from which he or she is calling, the

assigned PIN and his/her date of birth. The Provider shall perform a LIDB look-up during this call back.

C. Direct Mail With Written Notification, in which the Provider shall:

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- mail a promotional piece in a sealed envelope directly to the potential customer which contains a unique PIN assigned to the customer's name and home address;
- require the customer to call an 800 number to activate the PIN. During the activation call, which must be made from the customer's home telephone, the customer shall be required to enter the information required by section II.A above and the assigned PIN. The caller will not be able to access the Provider's service during the activation call described in this section; and
- mail a letter to the customer confirming the existence of a presubscription agreement, its terms and conditions, and provide a customer service number for blocking and/or inquiries.
- After the activation call described in C.2 above, the customer shall be required to call back in order to access the Provider's services.

Note: This method shall not be subject to the Initial Call requirements set forth in section II.A.

D. Electronic or Live Operator Authorization Using a 900 Number.

- After the Initial Call, allow for electronic or manual authorization that confirms the information described in section II. Providers shall establish one or more 900 telephone numbers for which there shall be no charge to the customer for such confirmation. Calls to the 900 number(s) will connect the customer to a voice response unit or a live operator that requires the customer to input the information described in section II, including automatically recording the originating ANI.
- Immediately upon completing the requirements set forth in D.1 above. the Provider shall mail a letter to the oustomer confirming the existence of a presubscription agreement, its terms and conditions, and provide a customer service number for blocking and/or inquiries.
- E. Third Party Verification [TO BE REVIEWED AND ADDED AT A LATER DATE.

IV. BLOCKING OF 800 PRESUBSCRIBED SERVICES SHALL BE PROVIDED BY THE FOLLOWING MEANS:

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- A. A nationwide 800 presubscription blocking database shall be established and added to the required LIDB look-up. Within sixty (60) calendar days from the date that industry users agree upon a billing method for use of the database, customers will be able to use an 800 number to block or unblock their ANI.
- B. The customer mailing piece shall list the telephone number to request blocking of 800 presubscribed services.
- C. All billing entity customer service centers shall provide the customer, upon request, with the telephone number to order blocking of presubscribed services.

V. LIDB REQUIREMENTS AND REJECT CODES.

- A. First time callers shall be bounced against LIDB. If a first time query gives a non-reject code, then that ANI must be chested in increments no longer than seven (7) calendar days since either the last query for that ANI or the last time that ANI attempted (successful or not) to access the Provider's service.
- B. The customer's ANI shall be validated when the bilinble PIN is activated, regardless of the time between LIDB queries for that customer's ANI. Only one PIN shall be issued per ANI and the billing telephone number ("BTN") and the ANI must match at all times.
- C. All LIDB queries shall request a "collect call verify" format, since there does not currently exist an "information services" LIDB verification request.
- D. A Provider who receives the following unconditional codes from the LIDB response shall reject the ANI:

Unconditional Reject Codes

- 214 No Collect Calls
- 216 Billed Number Screening (BNS), Public Coin Phone
- 217 Billed Number Screening (BNS), Public Non-Coin Phone
- 218 Billed Number Screening (BNS), Semi-Public Coin Phone
- E. A Provider who receives the following codes from the LIDB response shall either:
 - 1. reject the ANI; or

2. re-request until:

- **(a)** a non-reject code is received;
- an unconditional reject code is received; or **(b)**
- reject because a conditional code set forth below is repeatedly being received.

Conditional Reject Codes

- 201 BNS, Missing Customer Record (XXXX line check failure)
- 202 LIDB Missing Group, NPA NXX Check Failure
- 203 LIDB Destination Point Code Table Failure (local reject)
- 205 SS7 Network Problem
- 206 No Host
- 207 LIDB Access Denied
- 209 Network Message Error
- 219 LIDS Response Unrecognized
- 220 System Error/System Time-Out
- 221 No Host
- 222 No Hoet
- 223 LIDS Screened Response Error Message
- 224 LIDB Misroute Error Message
- 225 LIDB Reject Component Error Message
- 226 LIDB Component Sequence Error Message
- 227 SS7 Unitdata Service Message, Network Problem

VI. EFFECTIVE DATE.

The ISA Policy Statement & Industry Standards Governing 800 Presubscription shall be effective on or before June 20, 1994.

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Telephoner 301,495,4955 Fectivation 301,495,4959

ISA 800 Presubscription Standards Adoption Agreement

Our company has carefully read the ISA Policy Statement & Industry Standards Governing 800 Presubscription ("ISA Standards") dated June 6, 1994. We agree to voluntarily adopt and comply with the terms and conditions set forth in the ISA Standards effective June 20, 1994. In addition, our company has selected the following option(s) contained in section III of the ISA Standards to confirm the existence of a presubscription agreement:

	Written Authorization (III.A).				
	Written Notice Mailed/Customer Call Back (III.B).				
	Direct Mail With Written Notification (III.C).				
	Electronic or Live Operator Authorization Using a 900 Number (III.D).				
	Our company supports the efforts of the ISA 800 Presubscription Working Group to date and we agree in principal with the ISA Standards. We will evaluate the implementation and effectiveness of the ISA Standards within the next 60 to 90 days before we decide to adopt them.				
COMPANY:					
NAM	B:				
ADD	RESS:				
TELI	ephone/pax:				
YOU	R SIGNATURE:				
DATI	C: June, 1994				

PLEASE COMPLETE AND FAX BACK TO 202/833-1234 ON OR BEFORE 3:00 P.M. (EST), JUNE 7, 1994. THANK YOU.